



# EMERGING MARKETS DEBT FUND

30 September 2021

## FUND OBJECTIVE

The Fund aims to provide positive absolute returns on an annual basis by investing principally in emerging markets debt

## FUND SUMMARY

- Actively managed to aim to deliver positive absolute returns in excess of a cash benchmark
- Aims to add value by capturing 'best ideas', executed in a way that seeks to generate lower levels of volatility
- Invests across the spectrum of the emerging market debt and currencies with an unconstrained approach
- Rigorous and disciplined investment process

## FUND FACTS

**Fund size:** £271.4m

**Inception date:** 25 May 2007

**Benchmark:** SONIA

**Fund manager:** Colm McDonagh

**Target return:** Outperform benchmark by 2% pa (before tax, fees and expenses) over rolling five year periods. However, a positive return is not guaranteed and a capital loss may occur.

## FUND CHARACTERISTICS

	Fund
Yield (%)	2.50
Duration (years)	0.9
Total gross exposure (%)	78
Total net exposure (%)	43

## SHARE CLASS PERFORMANCE

	1 month	3 months	1 year	3 years (pa)	5 years (pa)	Since inception (pa)
Fund	-0.38	-0.85	-0.09	0.72	0.14	2.43
Benchmark	0.00	0.01	0.05	0.37	0.36	1.09

  

	Calendar year returns					12-month rolling returns				
	2020	2019	2018	2017	2016	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Fund	2.56	2.73	-3.61	3.91	-1.42	-0.09	1.26	1.01	-2.15	0.69
Benchmark	0.21	0.68	0.60	0.23	0.38	0.05	0.37	0.70	0.50	0.21

Source: Insight Investment and Rimes. Fund performance is shown for share class S £ Acc and is calculated as total return, including reinvested income, gross of fees and expenses. Gross of fees performance results do not reflect the deduction of charges, which will reduce investors' returns. Performance for periods over one year is annualised. Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may be partly due to exchange rate fluctuations). Investors may not get back the full amount invested.

## FUND MANAGER COMMENTS

The Fund generated a negative return for the month, underperforming the benchmark. The Fund's FX positions notably detracted while its hard currency sovereign positions were a minor negative. However, local corporates were a small positive. Within FX positions, Chile, Brazil and Colombia were the main negatives given heightened political risks but South Africa and Turkey were positive. In the Fund's hard currency sovereign positions, Egypt and Indonesia were the main detractors. While local rates positions had a neutral effect overall, Egypt notably contributed but Brazil was a large detractor. In local corporates, Kazakhstan was a small positive. Emerging markets (EM) risks include US rate volatility, weak technicals in EM sovereigns, and Evergrande credit worries. However, multilateral engagement is high, sovereigns have market access, terms of trade are resilient for many EM sovereigns and corporates, and some sovereigns have high FX reserves, reducing their external vulnerability.

## GEOGRAPHY

(%)	Fund	Fund	
Mexico	6.5	Russia	2.8
Egypt	6.5	South Africa	2.0
Brazil	5.0	Kazakhstan	1.7
Colombia	4.4	Indonesia	1.6
China	3.0	Nigeria	0.6

## EXPOSURE BY CURRENCY

(%)	Fund	Fund	
Egyptian pound	7.5	Chilean peso	1.5
Russian ruble	3.7	Colombian peso	0.9
Polish loty	2.5	Argentinian peso	0.5
Brazilian real	1.8	Chinese renminbi	0.3
Kazakh tenge	1.7	South Korean won	0.1

## REGION

(%)	Fund
Asia	9.1
Central-Eastern Europe	5.9
Latin America	22.2
Middle-East And Africa	14.8
Index	0.0
US Treasury	-8.5

## TECHNICAL DETAILS

**Legal structure:** Open Ended Investment Company (UCITS)

**Domicile:** Ireland

**Share class currencies:** Sterling

**Dealing frequency:** Daily

**Settlement period:** T+3

**Pricing method:** Swinging single price

**Scheme:** Insight Global Funds II plc

**Depositary:** Northern Trust Fiduciary Services (Ireland) Limited

**Administrator:** Northern Trust International Fund Administration Services (Ireland) Limited

**Ongoing charges:** 0.05% (represented by share class S Acc, other share classes are available)



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